

25 March 1982

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CANBERRA, AUSTRALIA, MARCH 25, REUTER -- THE OPPOSITION LABOR PARTY TODAY OFFERED IN PARLIAMENT DOCUMENTS ALLEGING LINKS BETWEEN THE COLLAPSED NUGAN HAND MERCHANT BANK, HEROIN DEALING AND THE U.S. CENTRAL INTELLIGENCE AGENCY.

THE BANK WENT INTO LIQUIDATION TWO YEARS AGO AFTER ITS AUSTRALIAN CO-FOUNDER, FRANK NUGAN, WAS FOUND SHOT TO DEATH. AN INQUEST CONCLUDED HE COMMITTED SUICIDE. HIS AMERICAN PARTNER, MICHAEL HAND, DISAPPEARED AND IS BELIEVED TO HAVE FLED AUSTRALIA.

OPPOSITION LEADER BILL HAYDEN DISPLAYED FILES OF THE POLICE NARCOTICS BUREAU FOR 1977 AND 1978 WHICH ALLEGED THE BANK WAS LINKED WITH A DRUG SYNDICATE WHICH EXPORTED 3.4 MILLION DOLLARS WORTH OF HEROIN FROM BANGKOK BEFORE JUNE 1976.

THE DOCUMENTS QUOTED AN INFORMANT AS SAYING NUGAN AND HAND WERE "BIGGER THAN ANYTHING YOU HAVE EVER SEEN IN THE HEROIN GAME AND ARE...PART OF AN AMERICAN SECURITY ORGANIZATION." ANOTHER INFORMANT ALLEGED THAT A PRINCIPAL OF THE BANK WAS "STILL AFFILIATED WITH THE CIA."

THE AFFAIRS OF THE NUGAN HAND GROUP ARE UNDER INVESTIGATION BY OFFICIAL LIQUIDATORS, THE NEW SOUTH WALES CORPORATE AFFAIRS COMMISSION AND A POLICE TASK FORCE PROBING DRUG TRAFFICKING.±  
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